

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: *Gross* ) Art Unit: 3629  
Serial No.: 10/771,049 ) Examiner: *Ruhl, Dennis W.*  
Filed: 02/02/2004 )  
For: *Notification system and method for media queue* )

**INFORMATION DISCLOSURE STATEMENT**

Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

Sir:

1. The enclosed purported prior art, including a declaration by Neil Hunt and accompanying exhibits ("Hunt Declaration"), was provided to the undersigned on or about March 24, 2007 by Mr. Christopher Palermo. Mr. Palermo is an attorney for Netflix authorized to practice before the United States Patent and Trademark Office (registration number 42056). Because Netflix has alleged that such materials describe public use and printed publications prior art to the present application, Applicant is submitting it herewith in the instant Information Disclosure Statement.
2. As explained in the Rule 1.31 declaration by J. Nicholas Gross, also submitted herewith, however, the items supplied by Netflix do not in fact constitute prior art. This is because the inventor had already conceived the claimed subject matter before the alleged publication date of such materials (December 16, 2002) by Netflix. Furthermore the inventions were then diligently and constructively reduced to practice just a few weeks later, on January 31, 2003 as part of Provisional application no. 60/443,940.
3. Consequently, regardless of how the PTO treats the enclosed declaration by Mr. Hunt, it does not qualify as prior art as the Applicant has demonstrated an earlier invention date. For this reason the Applicant submits that the purported reference, even if accepted as such by the PTO, should not be applicable to the present claims.
4. Should the PTO nonetheless decide that the Hunt Declaration merits further review, Applicant submits the following analysis which demonstrates that such declaration is plainly inadequate to support a determination of public use or the existence of prior art to the present application. Moreover, the analysis casts serious doubt on the veracity of such declaration and on the authenticity of the materials alleged as printed publication prior art under oath by the Netflix declarant.

### The Declarant is Not Credible

5. "Affidavits or declarations should be scrutinized closely and the facts presented weighed with care." Ferring B.V. v. Barr Labs., Inc., 437 F.3d 1181, 1187 (Fed. Cir. 2006). One key factor the PTO must consider first is the declarant's credibility and motivations.
6. To judge Mr. Hunt's credibility, it is not necessary to review much more than the allegations made in paragraph 10, in which he states:

After 2003, Netflix eventually discontinued using notification messages that contained the compositions of Exhibits 1, 2, and 3, **and is not presently using such messages.** (emphasis added)

7. In other words, Mr. Hunt categorically informs the PTO that his company no longer monitors subscriber queues to send email messages telling them that their queue is low or empty. In fact as the overwhelming evidence shows, nothing could be further from the truth.
8. Applicant has attached hereto 3 separate examples of actual emails sent to real subscriber accounts, all of which demonstrate that Netflix has used this practice *extensively* and continuously over the past 2 years. That is, Exhibits 2, 3 and 4 are actual emails sent to a single subscriber in 2005, 2006 and as recently as 2007 containing substantially the same message, content and monitoring logic that Mr. Hunt states unequivocally was discontinued after 2003. Note that these are only emails for a single subscriber account, and the undersigned submits that with more than 6 million subscribers there are likely countless thousands other examples.
9. The proof is incontrovertible. Netflix is still using this aspect of the Applicant's invention. Applicant submits that this misleading statement by Mr. Hunt was not an oversight or mistake. Mr. Hunt claims to be the Chief Products Officer, and thus it strains credulity to suggest that he can be so completely misinformed about his company's present operations.
10. In fact the reason for Mr. Hunt's misleading statement is simple: he freely admits in paragraph 3 of his declaration that his company has been put on notice by the owner of the instant application concerning the scope of these pending claims. His company has a substantial stake in trying to prevent the issuance of the present claims, which exposes precisely the type of bias the PTO is supposed to guard against.
11. The Applicant leaves it to the PTO to make its own conclusions, but strongly recommends that, in addition to the lack of merit in the allegations, these misleading/grossly erroneous statements in paragraph 10 be considered in determining the credibility of Mr. Hunt's further allegations below concerning "public use" and "printed publications."

### The Declaration is Not Sufficient to Show a Public Use

12. The Hunt Declaration purports to claim: 1) that there was a public use of some aspects of the claimed inventions prior to December 16, 2002; and 2) that the Exhibits attached to the declaration are printed publications which are prior art to the present application.
13. Taking a look at the first contention, to support a finding of an actual public use, Applicant submits that the PTO should examine the declaration to see if it complies with the requirements of 37 C.F.R. 1.292 and MPEP 720 governing Public Use proceedings. This seems appropriate given the broad objective and intent of such provisions.
14. Under the standard appropriate for Public Use proceedings, the Hunt Declaration clearly fails to raise a *prima facie* case of public use as required by 37 C.F.R. 1.292. This is because it clearly lacks anything which identifies exactly *what* was in public use or on sale as clarified in MPEP 720. Nor is any concrete evidence provided by Mr. Hunt to substantiate his bare allegations. Without such information, the Examiner must reject the alleged public use.
15. To wit, with reference to paragraphs 4 to 6: Mr. Hunt makes reference to public use of a computer system that he claims checked the status of subscriber queues (paragraphs 4 – 6) and later asserts actually sent 1000s of emails to subscribers (see paragraph 8) having the “composition” of Exhibits 1-3 attached to his declaration. Yet Mr. Hunt fails to provide even basic information on the identity of the computer in question, including make, model, serial number, where it was used, etc. Nor does he provide a stitch of documentation to explain the nature or identity of the software which allegedly performed monitoring of subscriber queues. Consequently the Examiner simply has no reliable or corroborated evidence on what was in public use before December 16, 2002 as alleged by Mr. Hunt.
16. More importantly, assuming even such computer/software existed at one time, Mr. Hunt provides no information to explain why such use of the computer system and software was a *public* use, as opposed to a confidential or entirely in-house experiment done at Netflix’s premises. There is no assertion by Mr. Hunt that the alleged computer system or software were available to the public, or that the operation of the same was public. Consequently, any use of the same internally to review subscriber queues could not be a “public” use. Moleculon Research Corp. v. CBS, Inc., 793 F.2d 1261, 1265, 229 USPQ 805, 809 (Fed. Cir. 1986) (inventor's private use of the invention is not a public use).
17. Moreover, Mr. Hunt’s conclusory statement (paragraph 8) that “thousands” of emails were sent to subscribers by such system is belied by the fact that, remarkably, he is unable to produce a *single actual example* of such mailing to a real subscriber. Thus Mr. Hunt’s declaration does not contain sufficient corroborating details to be credible or substantiate his claim of public use.
18. Accordingly, at this point Mr. Hunt’s statements in paragraphs 4 – 7 concerning public use are not corroborated by any reliable evidence. Absent some form of supporting documentation, his bare allegations of public use cannot constitute prior art.

The Declaration is Not Sufficient to Show that the Exhibits, Which Are Shams, Are Printed Publication Prior Art

19. In paragraph 8 of his declaration Mr. Hunt states:

At least as early as December 16, 2002, computer systems of Netflix generated and distributed electronic mail messages **containing the compositions of Exhibits 1, 2 and 3**. Netflix computer systems **distributed or published such messages and compositions to thousands of subscribers**. I am informed and believe that Exhibits 1, 2 and 3 qualify as prior art printed publications to the above-reference application. (emphasis added)

20. A reference is proven to be a "printed publication" only "upon a satisfactory showing that such document has been disseminated or otherwise made available to the extent that persons interested and ordinarily skilled in the subject matter or art, exercising reasonable diligence, can locate it." In re Wyer, 655 F.2d 221, 210 USPQ 790 (CCPA 1981) (quoting I.C.E. Corp. v. Armco Steel Corp., 250 F. Supp. 738, 743, 148 USPQ 537, 540 (SDNY 1966)) ("We agree that 'printed publication' should be approached as a unitary concept. See also MPEP 2128.
21. Mr. Hunt's declaration fails to provide any credible explanation of how Exhibits 1 – 3 are prior art or "printed publications" as he states in paragraphs 8 – 9. In fact, upon closer examination it is clear that the origin and veracity of such documents appears to be highly suspect. For this reason Applicant believes they too should be accorded little or no weight in the present proceedings.

To wit a detailed review of the Hunt Declaration reveals the following glaring inconsistencies and errors:

22. Mr. Hunt states that Exhibit 3 is a "printed publication" within the meaning of 35 USC 102. See e.g., paragraphs 8, 9. More particularly, Mr. Hunt suggests that this document was published by Netflix on or before December 16, 2002 as an email to thousands of different subscribers of their service.
23. Applicant submits that it is highly unlikely that Exhibit 3 was published on or before December 16, 2002, *or at any other time for that matter*. This conclusion is based on the following facts, which are identified with reference to a marked up copy of Mr. Hunt's exhibit (attached hereto as Exhibit 1):
- a. The area designated region #1 throws Mr. Hunt's credibility into serious doubt, particularly as concerns his characterization that this document was actually a printed publication. As the Examiner can verify, the alleged email to subscribers sent by Netflix informs them that Spider-Man would be arriving to them **on or about June 27, 2002**. Given the language of this statement, the only logical explanation is that email was sent *before* such date. Nonetheless as the Examiner can easily verify, the movie "Spider-Man" was not released on DVD until November 12, 2002.<sup>1</sup> In fact "Spider-Man" had not even been theatrically released until May 3, 2002. Yet the document identified by Mr. Hunt (under penalty of perjury) as an "email" (and which

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<sup>1</sup> This information can be found at the Internet Movie Database, which the Applicant submits is a well-known comprehensive movie reference site on the Internet generally accepted in the industry to contain reliable information

he affirms was sent to subscribers) clearly tells them that such movie will arrive to them on or about **June 27, 2002, more than 4 months before that movie was first released to DVD and less than 2 months after the theatrical release.**

- b. Further diminishing Mr. Hunt's credibility is the fact that – again like Spider-Man - none of the movie titles identified in area #2 (Minority Report, Men in Black, Monsters) were actually released on DVD *until several months later.*<sup>2</sup> Thus Mr. Hunt would have the PTO believe that Netflix sent out emails to subscribers prior to December 16, 2002 offering to rent them movies that had not yet been released.
24. The undersigned submits that these glaring discrepancies concerning the content of these “printed publications” which Mr. Hunt says were sent to subscribers are not reconcilable with the facts. It is simply incredible that a company of Netflix's stature<sup>3</sup> and expertise intentionally sent “thousands” of emails to subscribers offering to rent them movies which did not yet exist.
25. For these reasons the Applicant submits that Mr. Hunt's declaration should be disregarded in its entirety as it is simply not credible, and is clearly inadequate to support a finding of public use or prior art for the referenced materials.<sup>4</sup>
26. It is possible Mr. Hunt may have intended to only convey that some portions of the Exhibits are prior art. However, his declaration does not say so, and is insufficient to identify which parts are alleged to have been printed publications. Moreover, by including carefully manufactured content in such mock compositions which purports to show emails from June 2002, the declarant is clearly attempting to mislead the PTO into believing that Netflix was providing emails as early as such date notifying members of their queue status. Yet as seen above, this cannot possibly be true. While the Applicant does not know the actual date/source of the materials in Mr. Hunt's exhibits (as noted above they were provided by Netflix counsel who apparently know their origin) or what they represent, it should be abundantly clear that it is highly unlikely they were “printed publications” of emails as Mr. Hunt asserts.

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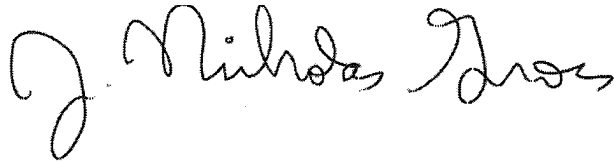
<sup>2</sup> See above. Amazingly, the movie “Minority Report” was not even released until December 17<sup>th</sup> 2002, which is *after* the *latest* date (December 16 2002) Mr. Hunt claims these emails were sent.

<sup>3</sup> Mr. Hunt makes several references to Netflix's prominence and prowess in this field, casting yet further doubt on the possibility of this scenario being true.

<sup>4</sup> Other unexplained discrepancies can be found in Mr. Hunt's alleged “email” attached hereto as Exhibit 1. For example, the title “Spider-Man,” while spelled correctly in the caption, is misspelled in region #4 of the email as “Spinder-Man.” If a computer truly had been used to generate such document - as Mr. Hunt affirms – one would reasonably expect it would use the same data in both fields in the mailing and it should have appeared with the same spelling (or misspelling) in both areas. Thus this suggests more likely a human error in preparing the document of Exhibits 1 - 3. Other information about the movies is also incorrect and, more importantly, inconsistent with Netflix's own database; for example, the movie “Monsters, Inc.” has a comma between “monsters” and “inc.” in the title; but it does not appear correctly on Netflix's Exhibit 3. Similarly, “MIB II” should be listed as “Men in Black II.” If the Examiner conducts a search at Netflix's site for “MIB,” it will be apparent that there is no movie under such title. The undersigned suspects and submits that this exhibit was clearly hand-made by someone at Netflix specifically for Mr. Hunt's declaration, and this person did not even bother to check how these movies are listed in Netflix's database. Finally, as seen in the area designated “3” - the composition of Exhibit 3 shows no characteristics of being an “email” as Mr. Hunt suggests. An email is an electronic message having both a sender and a recipient. As the Examiner can verify from examining the exhibit, there is no identified sender or recipient on this document. Thus while Netflix claims they sent “thousands” of such emails, they are seemingly unable to produce a single actual example.

27. Finally it should be noted that when given an opportunity to correct the declaration, the representatives for the declarant expressly refused. That is, the undersigned, through his attorney, contacted Mr. Palermo to report these gross problems with Mr. Hunt's declaration and the so-called prior art printed publications. Even after being offered an opportunity to correct these defects, Mr. Palermo refused to modify, correct or withdraw the declaration as sworn to by Mr. Hunt.

Respectfully submitted,

A handwritten signature in black ink, reading "J. Nicholas Gross". The signature is written in a cursive, flowing style.

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# EXHIBIT 1

# EXHIBIT 1

#3: no sender or recipient identified

**NETFLIX** **It's in the mail**

Rental Queue  
Recommendations

**Your Rentals**

We just shipped **Spinder-Man (2002)**, but we wanted to let you know that your Rental Queue is getting low. Please come choose more movies so we always have something to send you.


**Spider-Man (2002)**  
Arriving on or around: Thursday, Jun 27 2002


**Awakenings**


**You only have 1 movie left**  
**Please choose more>>**


Below are some suggestions to help you find movies.

**New Releases**

Minority Report  
  
**Rent**

Spider-Man  
  
**Rent**

Monsters Inc.  
  
**Rent**

MIB II  
  
**Rent**

**Browse the Site**

Action & Adventure  
Anime  
Children & Family  
Classics  
Comedy  
Documentary

Drama  
Foreign  
Horror  
Indie  
Music & Concert  
Romance

Sci-Fi & Fantasy  
Special Interest  
Sports  
Television  
Thrillers  
**See ALL Genres**

**See all selected movies >>**

Search  →

#4: Note inconsistent spelling of "Spiderman"

#1: Purported delivery date is prior to actual release of this movie to DVD by several months

No Movie Selected

2  
Empty

No Movie Selected

3  
Empty

#2: None of these movies were "new releases" in June 2002

Incorrect titles for movies



# EXHIBIT 2

June 2005

Subj: For Fri: **Pink Floyd: The Dark Side of the Moon -- Queue Empty**  
Date: 06/30/2005 Pacific Standard Time  
From: discship@netflix.com  
Reply-to: info@netflix.com  
To:

## NETFLIX Movie Shipped



Your Queue is empty

We just shipped the last movie in your Queue. Please come choose more movies so we know what to send you next.



### **Pink Floyd: The Dark Side of the Moon**

Sent to:   
Arriving on or around: Friday, Jul 01, 2005

#### **Browse by Category**

[Netflix Top 100](#)

[Academy Awards](#)

[Critics' Picks](#)

[Action & Adventure](#)

[Children & Family](#)

[Classics](#)

[Comedy](#)

[Drama](#)

[Foreign](#)

[Horror](#)

[Independent](#)

[Romance](#)

[Sci-Fi & Fantasy](#)

[Thrillers](#)

[More Genres >>](#)

#### **Choose Movies**

Search:

#### **Recently Released:**



Rent



Rent



Rent



Rent

SRC: SHIPW1A

This message was mailed to

Use of the Netflix service and Web site constitutes acceptance of our [Terms of Use](#)

(c)1997-2005 Netflix, Inc 970 University Ave., Los Gatos, CA 95032

QL-752907741

EXHIBIT 2 - NETFLIX EMAIL FROM JUNE 2005

# EXHIBIT 3

Subj: **We've received: Walk the Line -- Queue Empty**  
Date: 05/30/2006 [redacted] Pacific Standard Time  
From: discship@netflix.com  
Reply-to: info@netflix.com  
To: [redacted]

May of 2006 Netflix

## NETFLIX Movie Received



Your Queue is empty



We've received Walk the Line, but since your Queue is empty, we can't send you your next DVD. Please come choose some movies so we know what to send you next.

### Walk the Line



Received from: [redacted]

Rate this title: ☆☆☆☆☆

Click one of the stars above to rate this movie. Rate movies you've seen to get personalized recommendations based on your ratings.

Enjoy this title? [Suggest it to a Friend.](#)

### Browse by Category

[Netflix Top 100](#)

[Academy Awards](#)

[Critics' Picks](#)

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[Independent](#)

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### Choose Movies

Search:

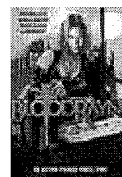
### Recently Released:



Rent



Rent



Rent



Rent

SRC: RECVW1A

This message was mailed to [redacted]

Use of the Netflix service and Web site constitutes acceptance of our [Terms of Use](#) and [Privacy Policy](#).

(c)1997-2006 Netflix, Inc. 100 Winchester Circle, Los Gatos, CA 95032

QL-1288989727-1002

**EXHIBIT 3 - NETFLIX EMAIL OF MAY 30 2006**

# EXHIBIT 4

Subj: For Tue: Pan's Labyrinth -- Queue Empty  
Date: 05/14/2007 [redacted] Pacific Daylight Time  
From: discship@netflix.com  
Reply-to: info@netflix.com  
To: [redacted]

May 2007

## NETFLIX Movie Shipped



Your Queue is empty



We just shipped the last movie in your Queue. Please come choose more movies so we know what to send you next.



### Pan's Labyrinth

Sent to: [redacted]

Arriving on or around: Tuesday, May 15, 2007

### Browse by Category

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[Academy Awards](#)

[Critics' Picks](#)

[Action & Adventure](#)

[Children & Family](#)

[Classics](#)

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[Romance](#)

[Sci-Fi & Fantasy](#)

[Thrillers](#)

[More Genres >>](#)

### Choose Movies

Search:

### Recently Released:



Rent



Rent



Rent



Rent

SRC: SHIPW1B

This message was mailed to [redacted]

Use of the Netflix service and Web site constitutes acceptance of our [Terms of Use](#) and [Privacy Policy](#)

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QL-1762485832-2866

EXHIBIT 4 - NETFLIX EMAIL FROM MAY 2007